Calendar No. 143

99TH CONGRESS
1st Session

SENATE

REPORT
99-64

MARITIME APPROPRIATION AUTHORIZATION ACT FOR FISCAL YEAR 1986

MAY 20 (legislative day, APRIL 15), 1985.—Ordered to be printed

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Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 679]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 679) to authorize the appropriation of funds for certain maritime programs for fiscal year 1986, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and an amendment to the title and recommends that the bill do pass.

PURPOSE OF BILL

The bill, S. 679, as reported, would authorize $416,951,000 for maritime programs administered by the Maritime Administration (MarAd) for fiscal year 1986 in accordance with section 209 of the Merchant Marine Act, 1936. Activities of the Federal Maritime Commission (FMC) are authorized at $11,940,000 for fiscal year 1986. The bill also provides for review of all FMC final orders in the courts of appeals, rather than the district courts.

BACKGROUND AND NEEDS

The Merchant Marine Act, 1936, declares that it is the policy of the United States, in the interest of national defense and commercial health, to "foster the development and encourage the maintenance" of a vigorous merchant fleet. The act creates certain programs to promote the U.S.-flag merchant marine and private shipbuilding in the United States. These programs are administered by MarAd, an agency of the Department of Transportation (DOT).

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The bill is generally consistent with the administration's budget for these programs with three exceptions. First, it does not include savings that would require operating differential subsidy program changes by regulation or legislation. Second, it includes funding for fuel oil for State academy training ships. Third, it funds salaries at existing levels. The administration's budget of $377,212,000 is increased to $416,951,000 by these additions. The bill represents an overall decrease of $48,166,000, or about 10 percent, below the amount appropriated for fiscal year 1985. There is no funding for construction differential subsidies, which is consistent with the administration's budget.

The bill also authorizes activities of the FMC at the administration's requested level of $11,606,000 plus full funding of salaries for a total of $11,940,000. This is a decrease of $352,000 from last year's appropriation.

S. 679 contains authorizations for three distinct programs of MarAd: Operating Differential Subsidies, Research and Development, and Operations and Training.

OPERATING DIFFERENTIAL SUBSIDIES

Operating differential subsidy (ODS) is paid to U.S. companies to enable them to operate U.S.-flag ships competitively in the U.S. foreign trade by offsetting the excess of U.S. ship operating costs over comparable foreign ship operating costs. Direct subsidies were first provided to American liner operations under the Merchant Marine Act, 1936. The Merchant Marine Act of 1970 expanded the coverage of operating differential subsidies to include bulk carrier ships. The 1970 act also established new procedures for determining subsidy for wages and subsistence.

There are two distinct subsidy programs for bulk carriers: for those carriers engaged in worldwide trade and those in the special bulk commodities trade. Carriers in the worldwide trade are under long-term subsidy contracts and provide an established amount of service in this trade. This compares to the program for liner carriers which provide established amounts of service in stipulated trades. Together, these programs comprise the "regular" ODS program. Carriers in the special bulk commodities trade are generally under 1-year contracts, are not required to provide an established level of service, and are paid a subsidy only when actively engaged in voyages related to special bulk trades.

The amount authorized for operating differential subsidies in fiscal year 1986 is $335,084,000. This will support a fleet of 87 liner vessels and 17 bulk carriers (primarily tankers) under agreements with 15 vessel operators. The subsidized liner fleet includes breakbulk vessels, barge-carrying (LASH) vessels, and roll-on/roll-off vessels that can be used for military deployment—as well as containerships for resupply. The sums requested for operating differential subsidy are for liquidation of contract authority granted to the Secretary of Transportation under section 603 of the Merchant Marine Act, 1936. Most existing operating contracts will terminate in the mid to late 1990's,

The amount of this subsidy had decreased from $454,010,000 in 1983 to $335,084,000 in 1986 as authorized by this bill. These de-

creases are primarily the result of a carryover of funds from prior years because of a reduction in the actual number of ship years of operation. However, the effects of the employment of more low-wage crews by foreign-flag operators by shifting from national crews to nonnational crews—in addition to reduced crew size in foreign-flag vessels—is expected to magnify the wage differential. Wages presently account for approximately 90 percent of total ODS expenditures.

Wage differentials are determined through the use of a wage subsidy index system based on a Bureau of Labor Statistics index for wages and benefits in private industry. The wage subsidy index system is designed to limit subsidizable wage costs to the national trend of wage increases in private industry. Work rules in this industry, however, vary greatly from those in other transportation modes, making wage comparisons inappropriate.

The administration's budget contemplates an appropriation of only $299,500,000 for ODS, which is $35,584,000 less than the amount provided in this bill, provided certain regulatory and statutory changes are made in the program. These changes include $20 million to be saved by eliminating the "double subsidy"—the payment of ODS when a vessel carries military and premium-rated civilian preference cargoes in conjunction with its subsidized commercial service; $4 million to be saved by changing the methods of computing the scope of foreign competition by using comparisons with the primary competitors rather than all of the competitors in a trade; and $11,584,000 to be saved by reducing regulation of unsubsidized operation by subsidized opertors. It is MarAd's position that the double subsidy problem will probably require separate legislation, while the other two changes can be accomplished through regulation. Since neither the legislation nor the regulation has been initiated, it is the sense of the Committee that inclusion of the proposed savings in this authorization would be premature. MarAd's proposal to reduce regulation of subsidized operators raises fundamental policy questions with regard to the ODS program. The Committee expects that it will be given the opportunity to review the policy and legal implications of this proposal prior to any final action by the agency.

RESEARCH AND DEVELOPMENT

The maritime research and development program develops concepts, methods, systems, and equipment to improve productivity and operating efficiency in the U.S. shipbuilding and ship operating industries. Programs are aimed at the development of information and technology that will result in lower shipbuilding costs, operating costs, and government subsidies for both ship construction and operation. Substantial participation by industry is obtained through cost-sharing and joint industry-government projects.

The administration requested an authorization level of $9,900,000, which is the same as contained in S. 679. This reflects a continuation of decreased emphasis on applied research which began last year.

OPERATIONS AND TRAINING

This part authorizes funding for various operational and training activities of the MarAd. These include salaries and other expenses for the operation of the Federal Merchant Marine Academy, for additional Federal training programs, and for financial assistance to State maritime academies. This part also provides funding authority for national security support programs, for emergency planning and operation programs, and for general operating expenses not separately authorized. The administration requested $67,812,000 for these programs, but the bill increases this to $71,967,000. The difference reflects a $3 million addition for fuel oil for State academy training vessels and restoration of a proposed 5 percent reduction in pay for all Federal employees.

Federal Maritime Academy

MarAd operates the U.S. Merchant Marine Academy at Kings Points NY, where U.S. citizens are trained to become merchant marine officers. The Academy has a present enrollment of 990 with an entering enrollment of 285 and a graduating class size of 233 students. MarAd feels that, due to the oversupply of merchant marine officers, its enrollment reductions of 10 percent in each of the last 2 years should be supplemented in 1986 by another 5 percent cut. Graduates are generally employed at sea as deck or engineering officers, or ashore in the maritime industry.

The amount authorized in S. 679 is that requested by the administration plus $315,000 for full funding of salaries, for a total of $19,633,000. This provides for the operation of the base program of the Academy, which offers a 4-year undergraduate program that leads to a Bachelor of Science degree and a Coast Guard-issued merchant marine license as a third mate or third assistant engineer. The students are also enrolled as midshipman in the U.S. Naval Reserve and, if eligible, are commissioned as ensigns in the U.S. Naval Reserve.

State maritime academies

MarAd administers Government payments and student incentive payments to six State maritime academies that are located in Maine, New York, Massachusetts, California, Texas, and Michigan. These schools have a total enrollment of about 3,000 and graduates about 600 students annually. Graduates are generally employed at sea as deck or engineering officers or ashore in the maritime industry.

The administration's request is for $10,915,000 in aid to State maritime academies. S. 679 adds $3 million in fuel oil assistance for State maritime academy training vessels. These federally owned vessels assist the academies in the training of merchant marine and Naval Reserve officers and are operated and maintained by the respective State academies. While the State educational systems have provided considerable funding and manpower assistance to keep these vessels in an excellent state of readiness, the high cost of fuel oil has imposed a significant burden. This issue was first raised during the debate that led to the enactment of the Maritime Education and Training Act of 1980 (Public Law 96-453)

when there was considerable concern over the need to provide for fuel oil assistance. While this assistance was not mandated by the 1980 act, the hearings generated a widely-held understanding that this annual assistance would be provided. After enactment, the administration supported fuel oil assistance for fiscal year 1981 at $850,000, which was appropriated. The State maritime academies received no other fuel oil assistance until $3 million was appropriated for fiscal year 1984, and followed with another $2 million in fiscal year 1985. This is intended to provide for sufficient fuel for nighttime underway training, shiphandling exercises, casualty drills, and other training evolutions that would not otherwise be possible.

At the hearing on S. 679, the Committee received testimony that several of the State academy training vessels are obsolete, have poor habitability and are marginal with respect to Coast Guard Safety standards. These ships range from 33 to 46 years old and are nearing the end of their useful lives. The Committee therefore requests MarAd to undertake a study and to develop a plan for the replacement of the training vessels used by the maritime academies of Maine, New York, Texas and California. The study and plan should address all feasible options and cover both acquisition and conversion costs. It should consider the possibility of new building, as well as acquisition and conversion of either U.S.-built or foreign-built vessels. Emphasis should be placed on the acquisition of modern vessels with alternating current and diesel propulsion. Options for the sharing of ships among schools should be explored. The plan should include a time-phased budget to cover the costs indicated by the study.

Additional training

Section 1305 of the Merchant Maritime Act, 1936 authorizes MarAd to prescribe, conduct, and supervise courses of instruction it deems necessary to supplement other training facilities. Under the current program, eligible personnel are provided training in shipboarding firefighting, use of collision avoidance radar, gyro compass operation and maintenance, use of loran, and operation and maintenance of medium- and slow-speed diesel propulsion engines. The basic objectives of this program are to assist in providing a trained shipboard work force, improve safety of life and property in shipboard operations, and prevent shipboard pollution resulting from ship collisions, groundings, and fires. User charges are levied for radar and diesel engine courses. The administration requested $1,267,000 for continuation of these training programs. S. 679 adds an additional $32,000 for full funding of salaries, for a total authorization of $1,299,000 in this category.

NATIONAL SECURITY SUPPORT CAPABILITIES

National security support capabilities include expenses associated with maintenance of the National Defense Reserve Fleet (NDRF) and the emergency operations program. Each program is directly supportive of MarAd's national security responsibilities. The reserve fleet program provides for preservation, maintenance,

and security of shops in the NDRF and for administration of the ship transfer and ship disposal programs.

The NDRF provides an inventory of ships to supplement the active fleet in times of war and national emergency. The fleet is the only source of reserve breakbulk shipping capacity available to the United States during a military or commercial shipping crisis. Reseve fleet sites are also used as repositories for ships awaiting disposal. Within the NDRF, a subset of ships selected by the Navy is being maintained in a higher state of readiness to permit full activation within 5–10 days of notification. This subset of ships is referred to as the Ready Reserve Fleet. The emergency planning/operations program develops plans and procedures to ensure continuity and control of maritime operations in time of national emergency, and insures seamen and private shipping against loss in time of war. The administration request of $9,047,000 is increased to $9,277,000 in S. 679 to fund salaries fully.

OTHER OPERATING EXPENSES

This item provides funding for overall agency program direction and administration and for general administration not directly assignable to specific programs; for administration of the subsidy and the research and development programs; and for the direction and administration of the following programs: Capital Construction Fund, Advanced Ship Development and Construction, Maritime Labor and Education, Civil Rights, Emergency Planning Operations, Market Development, Advanced Ship Operations Systems, Port and Intermodal Systems, and Domestic Shipping. The administration requested $27,265,000 for this category which is increased to $27,843,000 to fund salaries fully.

FEDERAL MARITIME COMMISSION

The FMC is an independent regulatory agency that administers the Shipping Act, 1984; the Shipping Act, 1936; the Intercoastal Shipping Act, 1933; and related shipping statutes. The commission's major responsibilities include the regulation of ocean carriers' ratemaking; investigations of terminal operators and freight forwarders operating in the U.S. ocean commerce; licensing of independent ocean freight forwarders; and passenger vessel certification.

S. 679 authorizes activities of the FMC at the administration's requested level of $11,606,000 plus $334,000 for full funding of salaries. This is a reduction of $352,000 from the prior year appropriation, reflecting saving resulting from implementation of the Shipping Act, 1984 (Public Law 98–237), success with automated data collection efforts, and a proposed transfer of the Passenger Vessel Certification program to the DOT.

The bill also corrects an oversight in the Shipping Act, 1984. Prior to the 1984 act, almost all finall orders of the FMC were initially reviewed by the United States courts of appeals pursuant to the Administrative Orders Review Act of 1950 (28 U.S.C. 2342). The 1984 act contains no general review provision, perhaps because Congress believed that the Administratrive Orders Review Act would apply. However, the Review Act is limited to review of final

orders of the FMC under the Shipping Act, 1916 and the Intercoastal Shipping Act, 1933. In the absence of specific statutory authority, FMC final orders are generally reviewed in the district courts, with subsequent review in the courts of appeals.

The dichotomous treatment of FMC orders appears to have been inadvertent. There is nothing in the legislative history of the 1984 act which explains it. The Committee believes there are several reasons for correcting this oversight. First, review of FMC orders under the 1984 act should be consistent with review of FMC orders under the 1916 act and 1933 act. Second, initial review of FMC orders in district court adds an extra layer of review which in turn increases costs for both the governmental and private parties. Third, review of orders in the courts of appeals will lead to a more expeditious resolution of disputes. For these reasons, S. 679 provides for review of all FMC final orders in the courts of appeals. It is the Committee's intention that section 4 be applied to any final order of the FMC issued after the effective date of the Shipping Act, 1984 (June 18, 1984).

Legislative History

Senators Stevens and Inouye introduced S. 679 on March 18, 1985. The Merchant Marine Subcommittee held hearings on S. 679 on March 21 and 29, 1985 at which representatives of MarAd, the FMC, the Marine Engineers Beneficial Association, Council of American-flag Ship Operators, American Maritime Association, Apex Marine, Moore McCormack Bulk Transport, SOHIO, ARCO, the U.S. Merchant Marine Academy Alumni Association, and the State on maritime academies testified. Other interested parties submitted statements for the record. On April 30, 1985 the Committee ordered S. 679 reported with an amendment in the nature of a substitute and an amendment to the title.

Estimated Costs

In accordance with paragraph 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. Congress,
Congressional Budget Office,
Washington, DC, May 8, 1985.

Hon. John C. Danforth,
Chairman, Committee on Commerce, Science, and Technology,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for S. 679, the Maritime Appropriation Authorization Act for Fiscal Year 1986.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,

Sincerely,

Rudolph G. Penner, *Director.*

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 679.

2. Bill title: The Maritime Appropriation Authorization Act for Fiscal Year 1986.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science and Transportation, on April 30, 1985.

4. Bill purpose: The bill authorizes the appropriation of $9.9 million for fiscal year 1986 for research and development and $72 million for operations and training activities of the Department of Transportation's Maritime Administration (MARAD) and an appropriation of $335 million for fiscal year 1986 for liquidation of contract authority for obligations incurred for operating-differential subsidies (ODS). The bill also authorizes an appropriation of $11.9 million for the Federal Maritime Commission.

The authorized levels exceed the Administration's request by $35.6 million for operating-differential subsidies and by $12.7 million for operating and training activities. The authorization for research and development is the same as that requested by the President. The authorization of $11.6 million for the Federal Maritime Commission is $0.3 million more than the Administration's request.

The bill also includes an amendment to Section 2342(3), Title 28, United States Code that would make all Federal Maritime Commission orders subject to initial review in the U.S. court of appeals rather than in the U.S. district courts.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
Authorization level	93.8				
Estimated outlays	75.0	16.0	2.8		

Including outlays from prior years' appropriations, total outlays for these programs will be $97.6 million in 1986, assuming the funding levels in this bill.

The costs of this bill fall within budget function 400.

Basis of estimate: All funds authorized are assumed to be appropriated. Outlays were estimated using the recent historical disbursement rates of these programs. In addition, the bill authorizes an appropriation of $335 million for fiscal year 1986 for liquidation of contract authority on obligations incurred for operating-differential subsidies. These amounts are not included as part of the authorization level or estimated outlays in the above cost estimate section, because the spending for this purpose is the result of previously provided contract authority.

The bill eliminates the current requirement that most final Federal Maritime Commission (FMC) orders be reviewed initially by the U.S. district courts, with subsequent review possible in the U.S. court of appeals. This action, which makes all FMC final orders subject to initial review only by the U.S. court of appeals, is not expected to result in significant budget savings.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: The Administration has estimated total 1986 outlays for these programs (excluding operating-differential subsidies) will be $92.5 million, assuming appropriation of the $80.8 million requested.

8. Previous CBO estimate: On April 25, 1985, CBO prepared a cost estimate for H.R. 1157, a similar bill ordered reported by the House Committee on Merchant Marine and Fisheries. The House bill authorizes the same funding levels as S. 679, and the estimated budget impact of the two bills is identical.

9. Estimate prepared by: Heidi E. Zukoski.

10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

Regulatory Impact Statement

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation:

S. 679 authorizes only ongoing maritime programs and does not increase the scope of involvement in these programs by either the Secretary of Transportation or the FMC.

NUMBER OF PERSONS COVERED

No individuals or businesses would be subject to additional regulation.

ECONOMIC IMPACT

The economic impact of existing regulation is not changed by this bill.

PRIVACY

The bill does not affect the privacy of individuals.

PAPERWORK

No additional reporting requirements are imposed by the bill.

Section-by-Section Analysis

SECTION 1

This section contains the short title.

SECTION 2

This section authorizes a total of $416,951,000 for the programs of the MarAd for fiscal year 1986. This section follows the administration's budget with three exceptions. First, it does not include savings that would require changes to the ODS program by legislation or regulation. Second, it includes additional funding for fuel oil for State maritime academy training ships. Third, it funds Federal salaries at existing levels. The total amount authorized is a decrease of $48,166,000, or approximately 10 percent, below the amount appropriated for fiscal year 1985.

The programs are for the promotion of the development and maintenance of an American merchant marine for domestic and foreign trade and for defense requirements. The specific authorizations are as follows:

(1) Liner and bulk carrier operations

This paragraph authorizes $335,084,000 for obligations incurred for operating differential subsidy. These obligations are the primary means of Federal support for the competitive operation of the U.S.-flag merchant fleet engaged in the foreign commerce of the United States.

The 1986 budget authority includes estimated liabilities for operation of 104 ships, including 87 liner vessels and 17 bulk carriers under agreements with 15 vessel operators.

This program is necessary for the promotion and maintenance of a U.S.-flag merchant marine capable of providing liner shipping services on essential routes and bulk shipping services in support of the economic security and the national defense of the United States.

(2) Research and development

This paragraph authorizes $9,900,000 for expenses for research and development activities of MarAd. These activities include programs that develop concepts, methods, systems, and equipment to improve productivity and operating efficiency in the shipbuilding and ship-operating industries. The resulting information and technology helps lower costs to both the industry and the Government. Many of the projects are cost-shared with industry.

(3) Operations and training

This paragraph authorizes $71,967,000 for financing the costs incurred for the operating and training programs of MarAd. A total of $7,932,000 of this amount is authorized for the preservation and maintenance of ships retained in the National Defense Reserve Fleet and $1,345,000 for emergency planning.

This paragraph includes authorization of $34,847,000 for maritime training and education programs at the Merchant Marine Academy at Kings Point, NY, and at the State maritime academies, as well as for supplemental training programs of MarAd. The Federal academy is authorized $19,633,000 to develop and maintain a 4-year undergraduate program that leads to a Bachelor of Science degree and to a merchant marine officer's license as third mate or assistant engineer. In addition to training for the merchant marine, many midshipmen are commissioned as ensigns in the Naval Reserve.

Six State maritime academies are assisted by authorizing $10,915,000 for their operation—which includes the alteration, maintenance, and repair of four training vessels. A sum of $3 million is provided for the cost of fuel consumed by these vessels when used for training purposes.

Funding for supplementary training at $1,299,000 is authorized for administering and operating regional schools that provide training in collision avoidance radar and shipboard firefighting, and for marine diesel engineering.

All other operations and in-house training programs are authorized at a level of $27,843,000.

SECTION 3

This section authorizes $11,940,000 for the use of the FMC in fiscal year 1986. This is identical to the administration's request, except that it includes full funding of employee salaries. This is a reduction of $352,000 from last year's appropriation.

SECTION 4

This section provides for judicial review of all FMC final orders in the Federal courts of appeals, rather than the district courts. This corrects an oversight in the Shipping Act, 1984 and is consistent with the procedure for judicial review of FMC orders pursuant to all other acts under the FMC's jurisdiction.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 28, UNITED STATES CODE

Section 2342 of that title

§ 2342. Jurisdiction of court of appeals

The court of appeals (other than the United States Court of Appeals for the Federal Circuit) has exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of—

(1)–(2) * * *

[(3) such final orders of the Federal Maritime Commission or the Maritime Administration entered under chapters 23 and 23A of title 46 as are subject to judicial review under section 830 of title 46;]

(3) all final orders of the Federal Maritime Commission entered under title 46, United States Code;

(4)–(5) * * *

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Calendar No. 148

99TH CONGRESS
1st Session

SENATE

REPORT
99-67

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION MARINE FISHERIES PROGRAM AUTHORIZATION ACT OF 1985

MAY 21 (legislative day APRIL 15), 1985.—Ordered to be printed

Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation, submitted the following

REPORT

[To accompany S. 991]

[Including cost estimate of Congressional Budget Office]

The Committee on Commerce, Science, and Transportation, to which was referred the bill (S. 991) to provide authorization of appropriations for certain fisheries activities, having considered the same, reports favorably thereon with amendments and recommends that the bill do pass.

PURPOSE OF THE BILL

The objective of S. 991, as reported, is to authorize appropriations for the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service at the following levels: $72,710,000 for fiscal year 1986 and $75,981,950 for fiscal year 1987. S. 991 also authorizes $5 million for each of the fiscal years 1986, 1987, and 1988 for the Central, Western, and South Pacific Fisheries Development Act.

BACKGROUND AND NEED

This bill is one of a series which together provide a comprehensive authorization for the NOAA under the Department of Commerce.

NOAA was created by Executive order in 1970 with the primary responsibility for most of the Federal Government's civilian research, service and regulatory programs affecting the Nation's

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oceans and atmosphere. The work of NOAA is critical for efficient weather forecasting and sound management and productive use of the Nation's ocean and coastal resources. NOAA's National Marine Fisheries Service provides programs in the areas of information collection and analysis, fishery conservation and management, and State and industry assistance programs.

LEGISLATIVE HISTORY

S. 991 was introduced by Senator Danforth on April 24, 1985, with Senators Packwood, Gorton, and Stevens as cosponsors. Written comments on the bill were received and reviewed.

The Committee considered S. 991 at an executive session on May 9, 1985. Senator Inouye proposed to amend the bill to authorize appropriations of $5 million for the Central, Western, and South Pacific Fisheries Development Act for each fiscal year from 1986 through 1988.

The amendment was unanimously agreed upon by the Committee. The bill was ordered reported, without objection, with Senator Inouye's amendment.

ESTIMATED COSTS

In accordance with paragrpah 11(a) of rule XXVI of the Standing Rules of the Senate and section 403 of the Congressional Budget Act of 1974, the Committee provides the following cost estimate, prepared by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 17, 1985.

Hon. JOHN C. DANFORTH,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for S. 991, the National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act of 1985.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

RUDOLPH G. PENNER, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

MAY 17, 1985.

1. Bill No.: S. 991.

2. Bill title: National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act of 1985.

3. Bill status: As ordered reported by the Senate Committee on Commerce, Science and Transportation, May 9, 1985.

4. Bill purpose: S. 991 would reauthorize programs conducted by the National Marine Fisheries Service. The bill would authorize appropriations of $72.72 million and $75.98 million in fiscal years

1986 and 1987, respectively. An additional $5 million a year through 1988 would be authorized for the Central, Western, and South Pacific Ocean Fisheries Resources Development Program.

5. Estimated cost to the Federal government:

[By fiscal years, in millions of dollars]

	1986	1987	1988	1989	1990
Authorization level	77.7	81.0	5.0	.....	.....
Estimated outlays	52.8	76.1	27.6	5.3	1.8

The costs of this bill fall within budget function 300.

Basis of estimate: For purposes of this estimate, it is assumed that S. 991 will be enacted during fiscal year 1985 and that the full sums authorized will be appropriated prior to the beginning of each fiscal year. Outlays have been estimated based on historical spending patterns.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Deb Reis.

10. Estimate approved by: James L. Blum, Assistant Director for Budget Analysis.

Regulatory Impact

In accordance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee provides the following evaluation of the regulatory impact of the legislation, as reported.

The bill reauthorizes NOAA's National Marine Fisheries Service to carry out a substantial portion of its duties for fiscal years 1986 and 1987 and to administer the Central, Western, and South Pacific Fisheries Development Act for fiscal years 1986 through 1988. The bill will not change these programs, and will have no additional impact on the number of businesses or individuals subject to Federal regulation, personal privacy, or Federal paperwork.

Section-by-Section Analysis

SECTION 1

This section states the short title of the bill, the "National Oceanic and Atmospheric Administration Marine Fisheries Program Authorization Act of 1985".

SECTION 2

Paragraph (1) of this section authorizes the appropriation of $27,382,000 and $28,614,190 for NOAA's National Marine Fisheries Service to carry out its information collection and analysis duties for fiscal years 1986 anhd 1987 respectively. This budget subactivity includes such functions as collection, analysis and dissemination of scientific data necessary to manage marine fishery resources, marine mammals, endangered species and their habitats.

Paragraph (2) of this section authorizes the appropriation of $25,933,000 and $27,099,985 to NOAA's Marine Fisheries Service to carry out its conservation and management operations under law for fiscal years 1986 and 1987, respectively. This budget subactivity includes such functions as development, implementation, and enforcement of conservation and management measures to achieve continued optimum use of living marine resources, including hatchery operations, fishery management plan activities, habitat conservation, and protected species management.

Paragraph (3) of this section authorizes the appropriation of $11,395,000 and $11,907,775 to NOAA's Marine Fisheries Service to carry out its State and industry assistance duties under law for fiscal years 1986 and 1987, respectively. This budget subactivity includes such functions as financial assistance for fishing vessels and fish processing facilities, market development for fishery products, and product quality improvement.

The above three budget subactivity authorizations are in addition to seven other authorization statutes affecting NOAA fishery programs: the Magnuson Fishery Conservation and Management Act; Marine Mammal Protection Act; Endangered Species Act; Anadromous Fish Conservation Act; Commercial Fisheries Research and Development Act; Salmon and Steelhead Conservation Act; and Central, Western and South Pacific Fisheries Development Act.

SECTION 3

This section authorizes appropriations of $4,500,000 and $4,702,500 for the Commercial Fisheries Research and Development Act for fiscal years 1986 and 1987, respectively.

SECTION 4

This section authorizes appropriations of $3,500,000 and $3,657,000 for the Anadromous Fish Conservation Act for fiscal years 1986 and 1987, respectively.

SECTION 5

This section authorizes appropriations of $5 million for the Central, Western, and South Pacific Fisheries Development Act for each fiscal year 1986, 1987, and 1988.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new material is pringed in italic, existing law in which no change is proposed is shown in roman):

THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION MARINE FISHERIES PROGRAM AUTHORIZATION ACT

(Section 2 of that Act)

FISHERIES INFORMATION COLLECTION AND ANALYSIS

SEC. 2. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Marine Fisheries Service to carry out its Fisheries Information Collection and Analysis duties under law, $26,500,000 for fiscal year 1984, [and] $28,000,000 for fiscal year 1985, *$27,382,000 for fiscal year 1986, and $28,614,190 for fiscal year 1987.* These moneys shall be used to fund those duties relating to fisheries information collection and analysis specified by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), the Act of May 11, 1938 (16 U.S.C. 755), and the Fur Seal Act of 1966 (16 U.S.C. 1151 et seq.), the Act entitled, "An Act to promote the conservation of wildlife, fish, and game, and for other purposes", approved March 10, 1934 (16 U.S.C. 661 et seq.), and any other law involving such duties. These duties include, but are not limited to, collection analysis and dissemination of scientific data necessary to manage: marine fishery resources, marine mammals, endangered species, and their habitats.

(b)–(c) * * *

(Section 3 of that Act)

FISHERIES CONSERVATION AND MANAGEMENT OPERATIONS

SEC. 3. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Marine Fisheries Service to carry out its fisheries conservation and management operations duties under law, $35,000,000 for fiscal year 1984, [and] $35,000,000 for fiscal year 1985, *$25,933,000 for fiscal year 1986, and $27,099,985 for fiscal year 1987.* These moneys shall be used to fund those duties relating to fisheries conservation and management operations specified by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), the Act of May 11, 1938 (16 U.S.C. 755), the Fur Seal Act of 1966 (16 U.S.C. 1151 et seq.), and the Act entitled, "An Act to promote the conservation of wildlife, fish, and game, and for other purposes", approved March 10, 1934 (16 U.S.C. 661 et seq.), and any other law involving such duties. These duties include, but are not limited to, development, implementation, and enforcement of conservation and management measures to achieve continued optimum use of living marine resources; including hatchery operations, fishery management plan activities, habitat conservation, and protected species management.

(b)–(c) * * *

(Section 4 of that Act)

FISHERIES STATE AND INDUSTRY ASSISTANCE PROGRAMS

SEC. 4. (a) There are authorized to be appropriated to the Department of Commerce to enable the National Marine Fisheries Service to carry out its fisheries State and industry assistance program

duties under law, $10,000,000 for fiscal year 1984, [and] $12,000,000 for fiscal year 1985, *$11,395,000 for fiscal year 1986, and $11,907,775 for fiscal year 1987.* These moneys shall be used to fund those duties specified by the Fish and Wildlife Act of 1956 (16 U.S.C. 742a et seq.), and any other law affecting State and industry fisheries assistance. These duties include, but are not limited to, financial assistance for fishing vessels and fish processing plants, market development for fishery products, product quality and grants to States for improving management of interstate fisheries and stimulating fishery development.

(b)-(c) * * *

THE COMMERCIAL FISHERIES RESEARCH AND DEVELOPMENT ACT OF 1964

(Section 4 of that Act)

SEC. 4. (a) There are authorized to be appropriated to the Secretary of Commerce for apportionment to the States to carry out the purposes of this Act the following sums:

(1) $5,000,000 for each of the fiscal years ending June 30, 1974, June 30, 1975, and June 30, 1976, and September 30, 1977,

(2) $10,000,000 for each of the fiscal years ending September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, September 30, 1982, and September 30, 1983, [and]

(3) $5,000,000 for each of the fiscal years ending September 30, 1984, and September 30, 1985[.], *and*

(4) $4,500,000 for the fiscal year ending September 30, 1986, and $4,702,500 for the fiscal year ending September 30, 1987.

(b) * * *

THE ANADROMOUS FISH CONSERVATION ACT

(Section 4 of that Act)

SEC. 4. (a) There are authorized to be appropriated to carry out the purposes of this Act not to exceed the following sums:

(1) $11,000,000 for fiscal year 1980.

(2) $13,000,000 for fiscal year 1981.

(3) $15,000,000 for fiscal year 1982.

(4) $7,500,000 for each of fiscal years 1983, 1984, and 1985.

(5) $3,500,000 for fiscal year 1986, and $3,657,500 for fiscal year 1987.

Sums appropriated under this subsection are authorized to remain available until expended.

(b) * * *

THE CENTRAL, WESTERN, AND SOUTH PACIFIC FISHERIES DEVELOPMENT ACT

(Section 2 of that Act)

SEC. 2. The Secretary of Commerce (hereafter referred to in this Act as the "Secretary") is authorized to carry out, directly or by contract, with the Pacific [Tuna] *Fisheries* Development Founda-

tion or other agency or organization, a program for the development of the tuna and other latent fisheries resources of the Central, Western, and South Pacific Ocean. The program shall include, but not be limited to, exploration for, and stock assessment of, tuna and other fish; improvement of harvesting techniques; gear development; biological resource monitoring; and an economic evaluation of the potential for tuna and other fisheries in such area.

(Section 8 of that Act)

SEC. 8. There is authorized to be appropriated for the period beginning July 1, 1973, and ending June 30, 1976, the sum of $3,000,000 and for the period beginning July 1, 1976, and ending September 30, 1979, the sum of $4,000,000, and for each of the fiscal years 1980, 1981, 1982, 1983, 1984, [and] 1985, *1986, 1987, and 1988* the sum of $5,000,000, to carry out the purposes of this Act. Sums appropriated pursuant to this section shall remain available until expended.

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